

REQUEST FOR QUALIFICATIONS

*regarding the sale
of the program assets and the program liabilities administered by*



a nonprofit public benefit corporation

created by the

*California Student Aid Commission
to administer its service obligations in the
Federal Family Education Loan Program*

RFQ No. DOF 0141-08

Closing Date: August 10, 2009 at 3:00 p.m. PST

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DEPARTMENT OF
FINANCE

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SECTION 1 - INTRODUCTION

1.1 Purpose

The purpose of this Request for Qualifications ("RFQ") is to invite qualified interested parties to submit and substantiate their qualifications in connection with a transaction (the "Transaction") described below.

Throughout this document, the term "Respondent" refers to any Respondent referred to in Section 1.5 and any member of a Respondent team acting on behalf of the Respondent that submits qualification information in response to this RFQ. The definitions of terms capitalized in this RFQ will be either adjacent to the first reference to each term, or be defined as set out in Section 4 of this RFQ. In the event of any conflict between a term defined in text and Section 4, the definition set out in Section 4 will prevail.

The California Department of Finance ("DOF"), in consultation with the Treasurer, will review and evaluate responses received ("Submissions") in order to select a Qualified Purchasers List ("Qualified Purchasers List") of Respondents in accordance with the Evaluation Criteria set out in Section 2.5 of this RFQ. DOF currently expects to invite all Respondents selected for the Qualified Purchasers List to participate in the next phase of the currently anticipated competitive process outlined herein, which will be to submit to DOF a Proposal as a Proposer, and, if selected as a Select Proposer, a Final Proposal.

1.2 Background

The California Student Aid Commission ("CSAC") is the primary state agency for the administration of state-authorized student financial aid programs available to students attending all segments of postsecondary education. These programs include grant, work study, and loan programs supported by the state and the federal government. CSAC is a Guaranty Agency for the purposes of participation in the Federal Family Education Loan ("FFEL") Program.

EdFund ("EdFund") is a 501(c)(3) non-profit public benefit corporation established as an auxiliary organization for the purpose of providing operational and administrative services for the participation by CSAC in the FFEL Program.

In 2007 the Legislature enacted the State Act by which the State has sought to maximize the value of EdFund's arrangement with CSAC and CSAC's participation in the FFEL Program through either of the following:

- (1) The sale of the State's interest in the student loan guarantee portfolio of the Student Aid Commission and certain related assets and liabilities of the student loan guarantee program operated by CSAC, to a firm approved to act as a state student loan guarantee agency for the FFEL Program by the Secretary of Education.

- (2) The entry into an arrangement for the operation of the state student loan guarantee program by an entity meeting the financial and compliance standards established for the FFEL Program.

1.3 DOF Goal

DOF seeks to identify Respondents fully capable of administering a FFEL Program and expeditiously implementing a Transaction that both maximizes the purchase price of the Program Assets and Program Liabilities to the State and preserves the continued operation of student loan guarantee services for California under the FFEL Program.

1.4 The Transaction

The Transaction must involve the sale, assignment, transfer and disposition of the Program Assets and Program Liabilities, which includes the State's interest in the Operating Fund, and transfer and assignment of CSAC's duties as Guaranty Agency, including the Federal Student Loan Reserve Fund, to a Transferee Guaranty Agency.

Program Assets include, without limitation, the State's interest in all loan guarantee contracts and agreements, including those entered into by EdFund on behalf of CSAC, non-federal funds deposited in the Operating Fund, non-federal funds held by EdFund and the State's interest in any leases of real property or equipment entered into by EdFund. The assets will not include any property of the United States held by EdFund.

Program Liabilities to be assumed by a party in the Transaction will be determined by the Director of Finance as provided in the State Act.

Although the State Act permits an alternative arrangement involving the transfer of Program Assets and Program Liabilities to a Transferee Guaranty Program Operator, DOF will not consider a Transaction where CSAC remains the Guaranty Agency.

None of CSAC's other assets or duties, other than the Program Assets and Program Liabilities, will be sold, assigned, transferred or disposed of in the Transaction. In particular, all of CSAC's duties with respect to the Cal Grant Program or any of its other statutorily mandate activities, will be retained and not sold, assigned, transferred or disposed of in the Transaction.

Upon consummation of a Transaction constituting a sale to a Transferee Guaranty Agency of the Program Assets and Program Liabilities and the delivery of the notice thereof as required by the State Act, the statutory provisions authorizing EdFund and CSAC's statutory authority with respect to the State Student Loan Guarantee Program will be repealed.

The Transaction will be undertaken in accordance with the applicable requirements of the State Act, Federal Act and Regulations.

1.5 Potential Transaction Structures

Respondents may include the following:

- (1) A Respondent consisting solely of Guaranty Agency; or
- (2) A Respondent proposing a team of a Guaranty Agency and a Third-Party Servicer; or
- (3) A Respondent proposing to initially serve as a Third-Party Servicer until approved by the Secretary of Education as a Guaranty Agency; or
- (4) Any other combination of a Guaranty Agency and other public or private entity or entities to the extent consistent with applicable provisions of the Federal Act and Regulations.

Proposals may include the following:

- (1) Sale and Assignment Agreement; or
- (2) Merger Agreement; or
- (3) Management or Operating Agreement; or
- (4) Other form of agreement or any combination of the foregoing.

Proposals may provide for a phased Transaction to accommodate the various approvals of the U.S. Department of Education.

1.6 U.S. Department of Education

Any Transaction will require the review and approval by U.S. Department of Education of a Transferee Guaranty Agency and any Third-Party Servicer in accordance with the Federal Act and Regulations. It is expected that the approval of the Secretary of Education of the transfer and assignment of CSAC duties as a Guaranty Agency and the Federal Student Loan Reserve Fund to any Transferee Guaranty Agency would be requested upon recommendation of the Governor of the State.

DOF has had initial discussion regarding the Transaction with the staff of the U.S. Department of Education. DOF will work with the Preferred Proposer to obtain all required approvals of the U.S. Department of Education and the recommendation of the Governor for the U.S. Department of Education to approve the transfer of the Federal Student Loan Reserve Fund to any Transferee Guaranty Agency.

1.7 State Student Loan Guarantee Program

Since it was created as the Guaranteed Student Loan Program under the Higher Education Act of 1965, the FFEL Program has provided more than \$627 billion¹ in guaranteed loans to students and parents and currently represents the largest federal source of financial aid for post-secondary education. The value of outstanding FFEL Program loans grew at a compound annual growth rate of 7.7% from under \$25 billion in 1997 to \$53 billion in 2007.²

FFEL Program represents a partnership between private institutions and public entities whereby private lenders are guaranteed against default by a network of 35 federally-designated FFEL Program guarantors. Established as a state or 501(c)(3) entity, the guarantor, typically selected by the school, insures the lender up to, generally, 97% of the loan's value. In turn, the U.S. Department of Education reinsures the guarantor up to, generally, 95% of any claims paid to the FFEL Program lender. In addition to assuming the financial risk associated with the guarantee, guarantors typically provide, on an in-house or outsourced basis, other services such as loan origination, loan disbursement, loan processing, account maintenance, servicing, default prevention, guarantee processing and/or default management.

Under the FFEL Program, qualified students can receive Stafford and/or Graduate/Professional PLUS loans, and their parents can receive PLUS loans (loans for parents), for post-secondary college costs of attendance. The FFEL Program also provides Consolidation loans which allow students to combine existing loans to make repayment more manageable. These loans are backed by the federal government and guaranteed by guaranty agencies, such as CSAC.

There are currently 35 FFEL Program guaranty agencies in the United States. CSAC, through EdFund, is the nation's second largest provider³ of student loan guarantee services under the FFEL Program. EdFund offers students a wide range of financial aid and debt management information, while supporting schools with advanced loan processing solutions and default prevention techniques. EdFund is headquartered in Sacramento County, California.

President Obama's fiscal year 2010 Budget Proposal includes a provision ending new loan origination under the FFEL Program and directly funding all new federally subsidized postsecondary loans, beginning July 2010. In order for the President's Budget Proposal to become law, it must be passed in Congress.

1.8 Services Provided by EdFund

CSAC is the State's principal provider of statewide grant aid to post-secondary students. Founded in 1955 as the California State Scholarship Commission, the 15-member commission's primary programmatic responsibilities include operation of the State-funded Cal Grant Program.

¹ Department of Education

² The College Board, Trends in Student Aid 2008

³ EdFund estimate

CSAC also administers financial aid awareness and outreach programs, such as Cal-SOAP and Cash for College, in collaboration with business, private industry and community-based organizations. CSAC administers the FFEL Program through its nonprofit auxiliary, EdFund.

EdFund provides the following Guaranty Agency services in keeping with competitive business practices:

- **Guarantee Services:** As a designated Guaranty Agency under the FFEL Program, CSAC (through its auxiliary EdFund) will pay participating student loan lenders 97% of the outstanding loan amount if a student defaults on a loan. It is this guarantee that enables lenders to make loans to students based solely on the student's eligibility for a student loan, as certified by the school he/she has chosen to attend, and the student's signature, confirming his/her agreement to repay.
- **Default Aversion Assistance:** Lenders must request default aversion assistance from the Guaranty Agency or guarantee services provider when a loan is between 60 and 120 days past the payment due date. As a part of this process, EdFund engages in an active default aversion program designed to assist the borrower in achieving a successful repayment experience. This is accomplished by increasing borrower awareness of the variety of repayment options available, as well as the potential consequences of defaulting on a student loan.
- **Payment of Insurance Claims:** Default occurs after the borrower fails to make payments for at least 270 days, a period during which the borrower is typically contacted multiple times by the lender and Guaranty Agency and offered a variety of options for returning his or her loan to good standing. After a loan reaches a default status, the lender submits a claim to the guaranty agency. The Guaranty Agency then purchases the defaulted loan from the lender at rates determined by federal statute. The Guaranty Agency is in turn reimbursed by the federal government a percentage of the payment made by the Guaranty Agency to the lender. For FFEL loans guaranteed after October 1, 1998, which later default, lenders generally receive guarantee payments of 95 percent of the defaulted loan from the Federal Student Loan Reserve Fund administered by EdFund as agent of CSAC in its capacity as guaranty agency for purposes of the FFEL Program.
- **Collections:** When the Guaranty Agency pays an insurance claim to the lender, it then attempts to collect reimbursement from the borrower. Guaranty agencies return funds recovered from defaulted borrowers to the federal government, less a specific percentage that they are able to retain. If the Guaranty Agency exhausts all opportunities to collect on a loan, the loan may ultimately be transferred back to the federal government through a process known as mandatory assignment.

EdFund continues to focus on establishing debt recovery strategies that successfully balance the need to maximize recovery of advanced funds with its desire to match each borrower with the most appropriate repayment program.

- **Loan Portfolio Management:** EdFund administered an existing loan guarantee portfolio of approximately \$35 billion at the end of 2007-08. EdFund tracks each loan's status on a routine basis and submits periodic reports to CSAC. EdFund also consolidates status updates from FFEL Program lenders and reports them to the federal government through the National Student Loan Data System.
- **Program Oversight:** EdFund's Program Review and Compliance Unit is responsible for reviewing its school and lender partners' compliance with federal regulations governing participation in the FFEL Program. EdFund staff performs compliance reviews on educational institutions based on their cohort default rates, and for lenders based on their guarantee volume with EdFund.

The following functions administered by EdFund are central to its competitiveness and success:

- **Customer Service:** EdFund provides customer service to the schools and students it serves via a network of regional client relations managers located throughout California and the nation. EdFund's Client Services team of 68 client relations managers and support staff consists chiefly of seasoned former school financial aid administrators and lender representatives who work directly with school clients to ensure quality service delivery and strong customer satisfaction. Regional staff also works with high schools, educating staff and students about financial aid programs and participating in financial aid workshops.
- **Delinquency Aversion and Default Prevention:** EdFund continues to support schools with a focus on lowering cohort default rates ("CDR") by providing customized default prevention plans, helping to focus the limited resources of schools on efforts that will yield improved results when measuring their CDR.

EdFund offers free training and ongoing support on a wide range of default prevention products that include: EdTe\$t, an online loan counseling tool; CMS, a cohort management tool; and the online Student Loan Debt Summary for borrowers. EdFund also expanded its money management educational materials available to schools. *Building Futures ~ Financial Literacy* modules include a comprehensive Instructor's Guide, 11 power point presentations on a wide variety of budgeting, saving, and credit topics and student workbooks to complement many of the session topics.

- **Loan Management Support for Schools and Lenders:** EdFund provides extensive information and technical support for its school and lender customers seeking to track and manage large volumes of student loans.
- **General Information Technology Support:** The administration of federal student loans is an information-intensive process involving multiple parties and agencies at almost every juncture. Establishing and maintaining a smooth, reliable and timely flow of information and data transactions among students, schools, lenders, federal authorities and a Guaranty Agency requires extensive and continuously available technical support. EdFund

consistently provides these to all its partners in the financial aid process through its loan management system and several auxiliary Web-enabled products and services. In 2007-08, EdFund implemented guarantor-neutral school-based software for loan processing, and moved all data center equipment to a new co-location facility with greater security.

- **Communications and Outreach:** EdFund strives constantly to keep students, parents, schools, lenders and policy-makers well-informed about financial aid opportunities, programs, policies and developments. Communication and outreach efforts include the production and coordination of a wide range of informational workbooks, brochures, rack cards, research reports and newsletters, as well as conference and trade show participation. EdFund also offers a variety of Web-based tools for students and schools and participates in the college access initiative by providing content to support going2college.org. Other products include EdWise® (an online financial planning guide for students) and a library of informational streaming video presentations.

1.9 Program Assets and Program Liabilities for Sale

As of September 30, 2008, the combined assets and liabilities associated with EdFund and the Operating Fund consisted of \$197.7 million in total assets and \$114.5 million in total liabilities. Assets are predominantly current and comprised of cash and FFEL Program receivables from the U.S. Department of Education. Only three percent of total assets are noncurrent and represent capital assets. Liabilities are predominantly current representing FFEL Program payments to lenders, the Federal Student Loan Reserve Fund, and an allowance for default aversion fee refunds. Only five percent of total liabilities are noncurrent and represent post-retirement employee benefits. In addition, EdFund's proprietary technologies and other intellectual property are available for sale.

Summary of Balance Sheets

	September 30, 2008 (Amounts in thousands)			
	Operating Fund^{1,3}	EdFund^{2,3}	Inter- Company Eliminations	Combined
Current assets	\$74,804	127,851	(10,169)	192,486
Other noncurrent assets	20,110	5,105	(20,000)	5,215
Total assets	<u>94,914</u>	<u>132,956</u>	<u>(30,169)</u>	<u>197,701</u>
Current liabilities	33,600	105,839	(30,169)	109,270
Noncurrent liabilities	<u>39</u>	<u>5,153</u>		5,192
Total liabilities	33,639	110,992	(30,169)	114,462
Net assets	<u>61,275</u>	<u>21,964</u>		<u>83,239</u>
Total net assets	<u>\$61,275</u>	<u>21,964</u>		<u>83,239</u>

Source: EdFund

(1) Unaudited

Sale of EdFund Program Assets and Program Liabilities
Request For Qualifications No. DOF 0141-08

(2) Audited

(3) Eliminating entries include a \$10,169 inter-company receivables/payables and a working capital advance of \$20,000 issued on January 2, 1997 from CSAC to EdFund.

Note: Balance sheet presented as of September 30, 2008 to reflect most recent audited financials available.

EdFund maintains operating leases not reflected on the balance sheet for the main office and warehouse facilities totaling approximately \$50 million gross obligation per lease agreements with terms extending over the next 10 years. These facilities total approximately 188,000 square feet. EdFund has 600 employees, of which 70 work regionally across 25 states.

In 2008, 2007 and 2006 EdFund generated operating income (loss) to the Operating Fund, before non-operating revenues, of \$37.9 million, \$23.8 million and (\$9.5 million), respectively.

**Summary of Revenues, Expenses
and Changes in Net Assets**

**Fiscal Years Ended June 30,
(Amounts in thousands)**

	2008	2007	2006
Operating revenues:			
Net recoveries on loan defaults	\$90,911	\$ 73,514	\$ 53,083
Administrative and program fee income	60,156	63,777	58,421
VFA revenue	4,911	7,736	35,740
Lender premium fees	1,683	1,322	-
Other revenues	<u>3</u>	<u>607</u>	<u>94</u>
Total operating revenues	<u>157,664</u>	<u>146,956</u>	<u>147,338</u>
Operating expenses ⁽¹⁾ :			
Administrative	93,787	88,252	87,740
Minimum reserve subsidy	-	9,392	69,089
Federal default fee subsidy	<u>26,014</u>	<u>25,513</u>	-
Total operating expenses	<u>119,801</u>	<u>123,157</u>	<u>156,829</u>
Operating income	<u>37,863</u>	<u>23,799</u>	<u>(9,491)</u>
Nonoperating revenues:			
Interest income	<u>1,952</u>	<u>1,691</u>	<u>2,442</u>
Change in net assets	\$ <u>39,815</u>	\$ <u>25,490</u>	\$ <u>(7,049)</u>

Source: EdFund

(1) Excludes expenses pertaining to activities outside the scope of the Transaction

Note: Income statement presented as of June 30, 2008 to reflect most recent audited financials available for the Operating Fund, where all relevant revenues and expenses are contained.

Financial Information

Audited financial statements for EdFund and the Operating Fund for the last five years are included on the RFQ Website referred to in Section 3.1 below. In addition, certain other financial and other information may be included on the RFQ Website.

Loan Portfolio

CSAC/ EdFund

Operating Fund & Federal Fund Data

Federal Fiscal Year Ended September 30, 2008 (\$ in millions)

VOLUME /RATE /RATIO	2008	2007	2006
Guarantee Loan Volume ¹	\$8,226	\$6,765	\$6,878
Reserve Ratio ²	0.27%	0.26%	0.25%
Recovery Rate ³	29.14%	19.85%	21.73%
Claims Rate ⁴	4.16%	3.31%	3.01%
Uninsured Loan Loss Rate ⁵	0.000%	0.057%	0.002%
OPO	34,929	29,662	26,953

Source: EdFund

- (1) Annual volume is derived from AR-1 on the Form 2000 report which excludes consolidations.
- (2) Calculated pursuant to 34 CFR 682.419 by dividing fiscal year-end Federal Fund net assets (excluding restricted assets) plus long-term liabilities by the total original principal amount of non-defaulted loans outstanding. OPO-Original Principal Outstanding: per 34 CFR 682.419(f)(2) as reported on the annual Form 2000 lines AR-1 through AR-12.
- (3) Calculated pursuant to 34 CFR 682.409 by dividing annual gross collections (P&I only) at fiscal year end by outstanding principal & interest balance of the default portfolio at the end of prior fiscal year reduced by reinsurance rate (Federal Receivable MR-32).
- (4) (Trigger Rate) Calculated pursuant to 34 CFR 682.404 by dividing the annual reinsurance claims, net of rehabilitations and repurchases, by the end of the prior fiscal year non-defaulted loans in repayment balance. Refer to 34CFR 682.404 for definitions and consequences and Form 2000 data.
- (5) Calculated by dividing annual uninsured loans (AR-5) by annual net guarantees (AR-1 + AR-3) minus (AR-2 + AR-4).

SECTION 2 - THE SELECTION PROCESS

2.1 Overview of Selection Process

DOF will evaluate all Submissions in accordance with the Evaluation Criteria as discussed more fully below. Subject to receiving satisfactory responses to the RFQ DOF intends to select a Qualified Purchasers List of Respondents. DOF reserves the right to limit the number of Respondents selected for the Qualified Purchasers List. DOF will then commence negotiations with Respondents selected to the Qualified Purchasers List.

2.2 Confidentiality Agreement

Each Respondent selected for the Qualified Purchasers List will be required to enter into a Confidentiality Agreement in form and substance satisfactory to DOF. A Confidentiality Agreement must be executed before a Proposer can receive access to due diligence information contained in a virtual dataroom.

2.3 Transaction Timeline

The currently anticipated timeline for the Transaction, which is subject in all respects to change at the sole discretion of DOF, is as follows:

TRANSACTION PHASE	DESCRIPTION
<u>Phase I: Submission of Response to RFQ</u>	<ul style="list-style-type: none"> Respondents submit Submissions DOF to evaluate Submissions and select Qualified Purchasers List
<u>Phase II: Selection of Qualified Purchasers List and Access to Due Diligence Information</u>	<ul style="list-style-type: none"> Qualified Purchasers List to receive a Confidentiality Agreement Upon execution of the Confidentiality Agreement, Proposers will receive access to due diligence information contained in a virtual dataroom
<u>Phase III: Preliminary Proposal</u>	<ul style="list-style-type: none"> Based on review of due diligence materials and conversations with FBR Capital Markets & Co. and DOF, Proposers to submit Proposals, which are preliminary and non-binding
<u>Phase IV: Selection of Select Proposers</u>	<ul style="list-style-type: none"> Based on review of preliminary, non-binding Proposals DOF, with input from its advisors, will select one or more Select Proposers to submit a Final Proposal Select Proposers to attend management meetings and receive additional due diligence information via the virtual dataroom Select Proposers provided with draft Transaction Agreement

Phase V: Final Proposal and Closing	<ul style="list-style-type: none"> ▶ Select Proposers to submit Final Proposals, which are legally binding offers of the Select Proposers, including a mark-up of the Transaction Agreement(s) ▶ DOF, with input from its advisors, to select a Preferred Proposer ▶ Preferred Proposer to perform final due diligence prior to closing ▶ DOF and Preferred Proposer to negotiate Transaction Agreement(s) ▶ Preferred Proposer executes Transaction Agreement(s) and closing
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2.4 Evaluation Committee

The evaluation of Submissions will be carried out by a committee appointed by DOF ("Evaluation Committee") in consultation with the Treasurer. The Evaluation Committee may be assisted by other persons as the Evaluation Committee may deem necessary, including technical, financial, legal and other advisors or employees of DOF.

2.5 Evaluation Criteria for Selection of Qualified Purchasers List

The Evaluation Committee will evaluate Submissions by application of the criteria as outlined in the table below ("Evaluation Criteria") to the information received pursuant to Exhibit A, and will select the Respondent(s) that the Evaluation Committee determines to be the most qualified to perform the Transaction.

Evaluation Criteria: Qualified Purchasers List <i>(Evaluation Criteria are not listed in order of importance)</i>
1. Respondent's demonstrated competence and professional qualifications necessary for the continued satisfactory performance of student loan guarantee services.
2. The quality of student services offered by Respondent, including, but not necessarily limited to, borrower training in budgeting and financial management, including debt management and other forms of financial literacy.

3. Borrower transparency or disclosure policies for products or services, or both, offered to students outside of the federal student loan programs.
4. Respondent's demonstrated ability to satisfy the criteria for approval by the U.S. Department of Education for a Guaranty Agency and, if appropriate, a Third-Party Servicer.
5. Respondent's demonstrated ability to expeditiously close the Transaction.
6. Respondent's strength, demonstrated ability, experience and financial capacity to deliver the purchase price.
7. Respondent's ability to continue operation of student loan guarantee services for California under the FFEL Program and minimize disruption to students.
8. Respondent's understanding of the Federal and State statutory requirements applicable to the Transaction.

2.6 Evaluation and Selection Process

The Evaluation Committee will review all Submissions that are received to determine the extent to which they comply with the RFQ's requirements.

DOF reserves the right to review the Submissions, as well as supplemental information collected in the course of the evaluation process, including but not limited to information submitted to clarify any information in the Submission, and information gained in interviews and reference checks.

Submissions that fail to meet requirements of the RFQ may be rejected. However, DOF reserves the right to evaluate any Submission submitted, regardless of whether such Submission fails to meet any requirement of the solicitation document.

Submissions that contain false or misleading statements in the opinion of DOF may be rejected. Failure to demonstrate that any statement or representation made in a Submission is in fact true may be cause for rejection of a Submission, or of deeming the Submission non-responsive to the RFQ. Failure of a prospective Respondent to respond to questions is sufficient cause to reject a Submission.

The Evaluation Committee is not obligated to complete a detailed evaluation of all Submissions and may, after completing a preliminary review of all the Submissions, identify and drop from the detailed evaluation any Respondent who the Evaluation Committee determines is not in

contention to be included on the Qualified Purchasers List when compared to the other Respondents.

During its review of any Submission, the Evaluation Committee may:

- Conduct reference checks relevant to the Transaction with any or all of the references cited in a Submission to verify any and all information, and rely on or consider any relevant information from such cited references in the evaluation of Submissions;
- Seek clarification of a Submission from any or all Respondents and consider such supplementary information in the evaluation of Submissions; and
- Request interviews/presentations with any, some or all Respondents to clarify any questions or considerations based on the information included in Submissions during the evaluation process, and consider any supplementary information from interviews/presentations in the evaluation.

The Evaluation Committee will recommend a selection of Respondents for the Qualified Purchasers List to the Director of the Finance. The Director of Finance, upon consultation with the Treasurer, will select for the Qualified Purchasers List. DOF will post the Qualified Purchasers List to the RFQ website referred to in Section 3.1 below.

DOF will, upon request, conduct a debriefing for any Respondent. In a debriefing, DOF will discuss the relative strengths and weaknesses of that Respondent's Submission, but DOF will not disclose or discuss any confidential information of another Respondent. Requests for debriefing may be made after the Qualified Purchasers List is posted.

2.7 Transaction Agreement(s)

Draft Transaction Agreement(s) will be provided to Select Proposers prior to the final proposal deadline and can be modified by the DOF at any time for any reason. Select Proposers' mark-ups to the Draft Transaction Agreement(s) shall be submitted concurrently with Final Proposals.

2.8 Selection Criteria for Selection of Preferred Proposer

DOF will accept Final Proposals from each Select Proposer, evaluate them by application of the criteria ("Selection Criteria") and recommend to the Director of Finance a Select Proposer (the "Preferred Proposer"). Upon approval of the Preferred Proposer, DOF will complete negotiations of the Transaction Agreement with the Preferred Proposer. The Selection Criteria will include the following:

Selection Criteria: Preferred Proposer <i>(Selection Criteria are not listed in order of importance)</i>
1. Highest purchase price on a net present value basis.
2. The greatest security for the payment of the purchase price, including, but not limited to, (i) the timing of any payment(s), (ii) the creditworthiness of the payor, (iii) any contingencies for the payment of purchase price.
3. Any required provisions not included in the draft Transaction Agreement(s) that may impact the value of or shifts risk to the State, including, but not limited to, risk retention or indemnification provisions.
4. Select Proposer's demonstrated competence and professional qualifications necessary for the continued satisfactory performance of student loan guarantee services; the quality of student services offered, including, but not necessarily limited to, borrower training in budgeting and financial management, including debt management and other forms of financial literacy; borrower transparency or disclosure policies for products or services, or both, offered to students outside of the federal student loan programs.
5. Assessment of ability to obtain approval of the Secretary of Education of a Transaction with Respondent, including consideration of any preferences, conditions or reservations expressed by the U.S. Department of Education.
6. Select Proposer's proposal to continue operation of student loan guarantee services for California under the FFEL Program and minimize disruption to students.

SECTION 3 - RFQ TERMS AND CONDITIONS

3.1 RFQ Website

This RFQ and any addenda that may be issued will be available on the following website ("RFQ Website"): http://www.dof.ca.gov/edfund_rfq/

3.2 RFQ Not a Contract

This RFQ does not constitute a contract or an offer for employment. In addition, any contract awarded as a result of this RFQ is subject to any additional restriction, limitation, or condition enacted by the State Legislature or established by DOF or other governmental or regulatory entity that may affect the provisions, funding, or terms of such contract in any manner.

3.3 Submissions

- (a) Submission Form and Content. Submissions to this RFQ must be in the form and content set forth in Section 3.20-Submission Requirements and the attached Exhibits, which are incorporated into this RFQ. Submissions submitted by fax or email will NOT be accepted.
- (b) Failure to Comply. Failure to comply with any requirement of this RFQ, including failure to provide information specifically requested, or to complete Exhibits, may result in disqualification of the Respondent and/or the rejection of its Submission.
- (c) Use of English Language. Submissions shall be prepared in the English Language.
- (d) Closing Date. Submissions to this RFQ must be received at the Delivery Address on or before the Closing Date as stated on the cover of this RFQ. Submissions received after the Closing Date will not be considered and will be returned unopened. Submissions received prior to the Closing Date that are marked properly will be securely kept unopened until the Closing Date.

3.4 Cost and Expenses of Respondents

Respondents will be responsible for their own costs of a Submission. DOF and its advisors will not reimburse or compensate any person in any manner whatsoever or under any circumstances for any costs or expenses incurred by such person in responding to this RFQ, including in the event of the rejection of any or all Submissions or if DOF decides not to proceed with the Transaction. Further, DOF will not be liable for any loss or damage suffered by any person, including any Respondent, team member, or potential Respondent or team member, in responding to this RFQ.

3.5 Inquiries

DOF will not respond to oral inquiries regarding this RFQ. Any oral information provided by the staff of DOF or their advisors in connection with this RFQ will not be binding on DOF or the State nor will it change, modify, amend or waive the requirements of the RFQ in any way. All inquiries regarding any aspect of this RFQ must be directed to the contact named on the cover sheet to this RFQ (the "DOF Contact") by email. The following will apply to any inquiry:

- (a) The DOF Contact will respond in writing.
- (b) An inquiry and response may, in DOF's discretion, be distributed to all Respondents or posted on the RFQ Website, if in the judgment of DOF it is fair or appropriate to do so.

- (c) DOF has the right not to respond to inquiry or request.

If a prospective Respondent discovers any ambiguity, conflict, discrepancy, omission, or other error in this RFQ, the prospective Respondent should immediately give DOF a written notice of the problem and request that the RFQ be clarified or modified.

If a prospective Respondent determines that one or more of the RFQ's requirements, either as originally posted or as amended, is unfair, or unnecessarily onerous, or restrictive, or precludes alternative solutions, the prospective Respondent may submit a written request to the DOF Contact that the RFQ be modified, setting forth the recommended modification, and the prospective Respondent's reasons for proposing the modification.

Any request to clarify or modify the RFQ must be submitted to DOF five (5) business days prior to the Closing Date, and addressed to the DOF Contact.

If prior to the Closing Date a prospective Respondent knows of or should have known of an error in the RFQ but fails to notify DOF of the error, the prospective Respondent submits a Submission at its own risk. If a Respondent is selected for inclusion on the Qualified Purchasers List, it will not be entitled to additional compensation, time to propose or perform work, or any other advantage by reason of the error or, at DOF's option, its later correction.

3.6 Unofficial Information

Information offered in respect to this RFQ from sources other than the DOF Contact is not official, may be inaccurate, and should not be relied on in any way, by any person, for any purpose.

3.7 Fax and email

- (a) No fax communication is permitted in connection with this RFQ.
- (b) The following provisions shall apply to any communications with the DOF Contact or the delivery of documents to the DOF Contact by email where such email communications or delivery is permitted by the terms of this RFQ:
 - a. DOF does not assume any risk or responsibility or liability whatsoever to any person:
 - i. *For ensuring that any electronic email system being operated for DOF is in good working order, able to receive transmissions, or not engaged in receiving other transmissions such that a transmission cannot be received; and/or*

- ii. *If a permitted email communication or delivery is not received by DOF, or received in less than its entirety, within any time limit specified by this RFQ.*
- b. All permitted email communications with or delivery of documents to the DOF Contact will be deemed as having been received by the DOF Contact on the dates and times indicated on the DOF Contact's electronic equipment.

3.8 Addenda

DOF may, through the DOF Contact, amend or clarify the terms or contents of this RFQ at any time before the Closing Date. Addenda will be posted on the RFQ Website.

Written addenda are the only means of amending or clarifying this RFQ, and no other form of communication whether written or oral, including written Submissions to inquiries, will be included in or in any way amend this RFQ. Only the DOF Contact is authorized to amend or clarify this RFQ by issuing an addendum. No other employee or agent of DOF is authorized to amend or clarify this RFQ.

3.9 Rights of DOF

Notwithstanding anything else in this RFQ, DOF has the unqualified right to change the dates, schedule, deadlines, Evaluation Criteria, process and requirements described in this RFQ, to cancel this RFQ, to issue a second or modified RFQ, or to elect not to proceed with the RFQ for any reason whatsoever, without incurring any liability for costs or damages incurred by any Respondent or potential Respondent.

DOF has the right to require clarification or accept new or additional information from any or all of the Respondents without offering other Respondents the same opportunity, and to interview any or all Respondents. DOF may independently verify any information in any Submission. Further, DOF has the right to waive any deviation, defect, irregularity, nonconformity, or non-compliance in or of any Submission. And such waiver by DOF will in no way modify the RFQ or excuse a prospective Respondent from full compliance with the RFQ's specifications.

DOF reserves the right to amend or modify one or more provisions of this RFQ by written notice posted on the RFQ Website prior to the Closing Date.

DOF reserves the right if it is deemed in DOF's best interest to accept or reject any or all Submissions, or portions of one or more Submissions, or negotiate any or all items with prospective Respondents. Moreover, DOF reserves the right to make no selection from among Respondents to this RFQ and if no such selection is made to otherwise undertake any other transaction in accordance with the State Act.

It is expected that if DOF selects a Qualified Purchasers List and proceeds with accepting Proposals from Proposers, DOF will reserve rights with respect to Proposals and Final Proposals,

including, but not limited to, limiting negotiations of a Transaction to one or less than all Proposers, changing any proposed Transaction, limiting Proposals or Final Proposals to a specific type of Transaction and reserving the right to change the Selection Criteria or negotiate a Transaction with any other Proposer if it cannot consummate a Transaction with the Preferred Proposer. Moreover, it is expected that DOF will reserve the right to make no selection of a Select Proposer or a Preferred Proposer, reject all Proposals or Final Proposals or otherwise not consummate a Transaction and if such action is taken to otherwise undertake any other transaction in accordance with the State Act.

3.10 Disqualification of Submissions

DOF may, in its sole discretion, disqualify a Respondent or team member and reject a Submission if:

- (a) The Submission includes a false or misleading statement, claim or information, or to disclose any information that would, in DOF's opinion, materially adversely affect DOF's evaluation of the Submission if disclosed, or
- (b) A Respondent solicits any employee of EdFund for employment without the prior written approval of DOF.

3.11 Protest Procedure

The selection of the Qualified Purchasers List in accordance with this RFQ will be final. No protest procedure or appeal process is being provided in connection this RFQ.

3.12 Information Submitted and Confidential Matters

As a state agency, DOF is subject to the California Public Records Act (California Government Code sections 6250 and following). All materials submitted to DOF, or their agents, as part of this RFQ are subject to the California Public Records Act and can only be kept confidential to the extent allowable by law. Generally, all RFQ related submittals are kept confidential until the selection process is complete. Once the selection process is complete, submittals and related Transaction documents maintain their confidentiality only if they are otherwise exempt from disclosure by law.

If DOF receives a public records request for documents related to the Transaction, DOF will timely contact any Respondent and/or Proposer whose submittals are the subject of the request. Should a Respondent and/or Proposer desire their submittals be kept confidential and not disclosed, it shall be that party's responsibility, at their sole cost and expense, to take all steps that party deems necessary to prevent disclosure. If the entity seeking to prevent disclosure fails to obtain a court order supporting nondisclosure, said party will not be entitled to make a claim, sue or maintain any legal action against DOF, or its officers, employees or agents in connection with DOF's disclosure of any information requested under the California Public Records Act.

3.13 Disposition of Materials

All materials contained in a Submission to this RFQ will become the property of DOF and will be returned only at DOF's option and at the expense of the Respondent submitting the material. One copy of each Submission will be retained for official files.

3.14 Relationship Disclosure and Review Process

DOF reserves the right to disqualify any Respondent or any team member or any individual assigned to the Transaction or anticipated to be assigned to the Transaction, or to reject the Submission of any Respondent, if in the opinion of DOF the Respondent or such firm or individual has a conflict of interest, whether such conflict exists now or is likely to arise in the future. Respondents must submit with their Submissions a completed Relationship Disclosure Form in the form attached as Exhibit B regarding each team member and individual assigned to the Transaction or anticipated to be assigned to the Transaction.

Respondents must also promptly disclose to the DOF Contact any potential conflict of interest and existing business relationships it may have or that each team member and individual assigned to the RFQ or anticipated to be assigned to the Transaction may have with the CSAC, EdFund, DOF, or any of the parties listed in Section 3.15 below who are firms providing advice or services to DOF with respect to the Transaction or if the Respondent or any team member will have any conflict with any Proposer. At the time of such disclosure, the Respondent must advise the DOF Contact how the Respondent proposes to remedy the situation. Respondents must declare all such conflicts of interest or any situation that may be reasonably perceived as a conflict of interest that exists now or may exist in the future.

3.15 Communication Restrictions

Respondents are specifically directed NOT to contact any CSAC, EdFund or DOF personnel for meetings, conferences, or technical discussions specifically related to this RFQ at any time prior to notice indicating DOF's selection of the Qualified Purchasers List. Unauthorized contact with any DOF, CSAC or EdFund personnel may be cause for rejection of the Submission.

Respondents and any representatives, including directors, officers, employees, agents, accountants, consultants, financial or legal advisors, must not make any public comment, or respond to questions in a public forum, regarding the status of the evaluation of their Submission or the RFQ process without DOF's prior written consent, which may be withheld for any reason.

Other than as expressly permitted or required in this RFQ, any attempt on the part of any Respondent or representative to contact any of the following persons, directly or indirectly, with respect to this RFQ may lead to disqualification of a Respondent and/or rejection of a Submission:

- (a) Any DOF staff other than the DOF Contact;

- (b) Any CSAC or EdFund board members, management or employees;
- (c) FBR Capital Markets & Co.; or
- (d) Hawkins Delafield & Wood LLP.

3.16 Use of Information

The information contained in this RFQ does not purport to be all-inclusive or to contain all of the information that a Respondent may require in deciding whether to submit a Submission. In furnishing this RFQ, DOF undertakes no obligation to provide Respondents with access to any additional information, issue an RFP, or entertain negotiations regarding any transaction.

DOF and its representatives and advisors will not be liable for any information or advice or any errors or omissions that may be contained in this RFQ or data, materials or documents (electronic or otherwise) provided with respect to the RFQ. DOF makes no representations, and there are no warranties or conditions, either express or implied, statutory or otherwise, in fact or in law, with respect to the accuracy or completeness of the RFQ or such data, materials or documents. DOF will not be responsible for any claim, action, cost, loss, damage or liability whatsoever arising from any person's reliance on or use of this RFQ or any other technical or historical data, materials or documents provided by DOF.

3.17 Independent Evaluation and Advice

Respondents are responsible for ensuring that they have all of the information necessary to respond to this RFQ and for independently informing and satisfying themselves with respect to the information contained in this RFQ and data, materials, or documents provided.

Respondents are also responsible for obtaining their own independent financial, legal, accounting, and other technical and professional advice with respect to the RFQ.

3.18 Qualified Purchasers List Respondents and Changes to Respondent Teams

DOF intends to accept Proposals from Respondents that have been selected for the Qualified Purchasers List under this RFQ. If there is any addition, deletion, or other change in the team members of a Respondent that has made a Submission, or change in the control of any team member, or a change to any team member potentially adverse to its business or operations after a Submission has been delivered, the applicable Respondent must notify DOF in writing at the Delivery Address within five (5) working days of any such addition, deletion, or change. DOF has the right to disqualify any such Respondent and/or to reject the Submission of any such Respondent if DOF, in its sole discretion, considers that the addition, deletion or change may have a material adverse impact on the ability of the Respondent to carry out the Transaction. DOF may refuse or may grant permission for such a change, considering the objective of achieving a competitive procurement process that is not unfair to other Respondents or

Proposers. Without limiting DOF's discretion, DOF may refuse to permit a change to the team membership of a Respondent selected for the Qualified Purchasers List if:

- (a) the change would in DOF's judgment result in a weaker team than the original Respondent team; or
- (b) the evaluation of the new team, using the evaluation criteria described in Section 2.5, would rank that Respondent lower than a Respondent that was not included on the Qualified Purchasers List.

DOF may permit any changes to a Respondent's team, including changes as may be requested arising from changes in ownership or control of a Respondent or a Team Member, or changes to the legal relationship between the Respondent and Team Members such as the creation of a new joint venture or other legal entity.

3.19 Withdrawal and Resubmission or Modification of Submission

A prospective Respondent may withdraw its Submission at any time prior to the Closing Date by notifying DOF in writing of its withdrawal. The notice must be signed by the prospective Respondent. The prospective Respondent may thereafter submit a new or modified Submission, provided that it is received at DOF no later than the Closing Date. Modifications offered in any other manner, oral or written, will not be considered. Submissions cannot be changed or withdrawn after the Closing Date.

3.20 Submission Requirements

In order to be evaluated, Submissions in response to this RFQ must meet the following requirements:

- (a) Include all of the information requested in **Exhibit A**;
- (b) Submissions should provide straightforward and concise descriptions of the Respondent's ability to satisfy the requirements of this RFQ, limited to 25 pages (excluding attachments and appendices) using typeface of Times New Roman or Arial with a font size of no less than 12 points.
- (c) All Submissions must be submitted under **sealed** cover and sent to the DOF Contact by the Closing Date. Submissions received after the Closing Date will not be considered.
- (d) A minimum of 5 copies of the Submission must be submitted.
- (e) The original Submission must be marked "ORIGINAL COPY." All documents contained in the original Submission package must have original signatures and

must be signed by a person who is authorized to bind the Respondent. All additional Submissions sets may contain photocopies of the original package.

- (f) The Submission envelopes must be plainly marked with the RFQ number DOF 0141-08 and title, Respondent firm name and address, and must be marked with "DO NOT OPEN," as shown in the following example:

Department of Finance
Attn: Vicki Huntsman
915 L Street
Sacramento, CA 95814
RFQ Number: DOF 0141-08

DO NOT OPEN

- (g) Submissions not submitted under sealed cover and marked as indicated may be rejected.
- (h) Mail or deliver Submissions to the following address:

U.S. Postal Service Deliveries or Hand Deliveries
(UPS, Express Mail, Federal Express)

Department of Finance
Attn: Vicki Huntsman
915 L Street
Sacramento, CA 95814

- (i) An individual who is authorized to contractually bind the Respondent shall sign the Exhibit C, Respondent Certification Sheet. The signature must indicate the title or position that the individual holds in the Respondent. An unsigned attachment may result in a rejection of the Submission.

SECTION 4 - DEFINITIONS

4.1 Definitions

Terms which are not defined in the RFQ shall have the meanings set forth in State Act, Federal Act or Regulations.

"Closing Date" means the closing date set forth on the cover of this RFQ.

"DOF Contact" means DOF contact set forth on the cover of this RFQ.

“Federal Act” means Part B (commencing with Section 1071) of Subchapter IV of Chapter 28 of Title 20 of the United States Code.

“Federal Student Loan Reserve Fund” shall have the meaning set forth in the State Act.

“Final Proposal” means proposal constituting a legally binding offer of a Select Proposer.

“Guaranty Agency” shall have the meaning set forth in the Regulations.

“Operating Fund” shall mean the “Student Loan Operating Fund” as defined in the State Act.

“Preferred Proposer” shall have the meaning set forth in Section 2.8.

“Program Assets” means State Student Loan Guarantee Program Assets as defined in the State Act.

“Program Liabilities” means State Student Loan Guarantee Program Liabilities as defined in the State Act.

“Proposal” means a preliminary, non-binding proposal submitted by a Proposer.

“Proposer” means each Respondent selected for the Qualified Purchasers List in accordance with this RFQ.

“Regulations” means 34 C.F.R. Part 682.

“RFQ Website” shall have the meaning set forth in Section 3.1.

“Select Proposer” means a Proposer selected by the DOF to continue in the process after the DOF’s evaluation of preliminary, non-binding Proposals.

“State Act” means the California Education Code §§ 69521 through 69521.11.

“Third-Party Servicer” shall have the meaning set forth in the Regulations.

“Transaction” shall have the meaning set forth in Section 1.4.

“Transaction Agreement” means the sale, assignment, management or other agreement entered into by DOF and Transferee Guaranty Agency or Transferee Guaranty Program Operator to effect the Transaction.

“Transferee Guaranty Agency” shall have the meaning set forth in the State Act.

“Transferee Guaranty Program Operator” shall have the meaning set forth in the State Act.

“Treasurer” means the treasurer of the State of California.

EXHIBIT A – SUBMISSION REQUIREMENTS AND INFORMATION

Qualification information must be provided in a response format in accordance with this Exhibit A, in tabbed sections using the section numbers and titles provided in the table below. Submissions should be simple and provide a concise description of the qualifications.

Section No.	Title	Contents
1.	Respondent Team	
1.1	Identification of the Respondent Team	<p>Provide the company/firm name(s) that will have the following responsibility(ies) in the Respondent team:</p> <ol style="list-style-type: none"> 1. Guaranty Agency 2. Third-Party Servicer, if any 3. Financial Advisor 4. Legal Advisor 5. Other(s) (please specify) <p>Provide a short description of the Respondent and team members that may be used for publication purposes.</p> <p>If the Submission is made under a fictitious name or business title, the actual legal name of Respondent must be provided.</p>
1.2	Contact Information	<p>Provide the name and contact details for a representative of the Respondent team, who will be the only person to receive communication from the DOF Contact regarding the submission, evaluation, and selection processes set out in this RFQ.</p> <p>Respondent's Representative:</p> <ol style="list-style-type: none"> 1. Name 2. Employer 3. Mailing/Courier Address 4. Telephone No. 5. Facsimile No. 6. E-mail Address 7. Website Address
1.3	Respondent Program	<p>Describe Respondent's FFEL Program activities, including a description of management and a history of Respondent's program.</p> <p>Describe student services offered by Respondent.</p> <p>Describe other services provided by Respondent.</p>
1.4	California Services	<p>Describe Respondent's ability to provide continued operation of student loan guarantee services for California under the FFEL Program and minimize disruption to students.</p>

Sale of EdFund Program Assets and Program Liabilities
Request For Qualifications No. DOF 0141-08

Section No.	Title	Contents
1.5	Transparency and Disclosure	Describe Respondent's borrower transparency or disclosure policies for products or services, or both, offered to students outside of the federal student loan programs.
1.6	U.S. Department of Education	Describe how Respondent's will satisfy the criteria for approval by the U.S. Department of Education for a Guaranty Agency and, if appropriate, a Third-Party Servicer. Describe any unresolved adverse preliminary or final audit findings within the last 5 years or other issues Respondent may have with the U.S. Department of Education regarding its FFEL Program activities.
1.7	Financial Information	Provide the following information for any team member that is a Guaranty Agency or Third-Party Servicer: <ol style="list-style-type: none"> 1. Copies of annual audited financial statements and annual reports or other similar financial information for each of the last three fiscal years; 2. If available, copies of the interim financial statement for each quarter since the last fiscal year for which audited statements are provided; 3. Details of any material events that may affect the entity's financial standing since the last annual or interim financial statements provided; 4. A copy of any credit rating held; 5. Details of any bankruptcy, insolvency, company creditor arrangement or other insolvency litigation in the last three fiscal years.
1.8	Access to Capital	Describe Respondent's ability to deliver the purchase price, from internal or external sources, including: <ol style="list-style-type: none"> 1. Cash on hand; 2. A description of whether all or a portion of the purchase price will be financed; 3. Other sources of financing; 4. If applicable, the team in place for such financing. <p>If Respondent intends to use external financing or equity participation in connection with any Proposal and such financing or equity or the teams or entities providing such financing or equity are not yet in place, Respondent should so indicate and set forth Respondent's plan and current expectation regarding such financing or solicitation of equity, and the expected timing thereof.</p>
1.9	Schedule	Describe Respondent's ability to meet an expedited schedule to close the Transaction in light of financing and other material requirements, including corporate, shareholder, regulatory and legal

Sale of EdFund Program Assets and Program Liabilities
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Section No.	Title	Contents
		consents or approvals.
1.10	Staffing and Availability	Describe the Respondent's plan for staffing the Transaction and the availability and capacity of the key individuals to undertake the Transaction in relation to current and anticipated commitments to other Respondent activities. Respondents should include resumes and a description of the experience of the management level individuals of each team member with primary responsibility with respect to the Transaction.
1.11	Understanding of Statutory Requirements	Describe Respondent's understanding of the State Act, Federal Act and Regulations and the application of the provisions thereof to the Transaction.
1.12	Third-Party Servicer References	Respondent should provide at least three (3) servicing client references for each Third-Party Servicer in the form attached as Exhibit D.

EXHIBIT B – RELATIONSHIP DISCLOSURE

Identify and describe any potential conflicts of interest as described in Section 3.14.

Entity/Individual	Relationship (Please be specific*)

* Please include, at a minimum, a description of the nature and subject of the relationship, and the beginning and ending dates of the relationship.

EXHIBIT C - RESPONDENT CERTIFICATION SHEET

This Respondent Certification Sheet must be signed and returned along with all the "required attachments" as an entire package in duplicate with original signatures. The Submission must be transmitted in a sealed envelope in accordance with RFQ instructions.

- A) Place all required attachments behind this certification sheet.
- B) The signature affixed hereon and dated certifies compliance with all the requirements of this Submission document. The signature below authorizes the verification of this certification.

1. Company Name	2. Telephone Number ()	2a. Fax Number ()
3. Address		
Indicate your organization type:		
4. <input type="checkbox"/> Sole Proprietorship	5. <input type="checkbox"/> Partnership	6. <input type="checkbox"/> Corporation
Indicate the applicable employee and/or corporation number:		
7. Federal Employee ID No. (FEIN)	8. California Corporation No.	
9. Indicate applicable license and/or certification information:		
10. Proposer's Name (Print)	11. Title	
12. Signature	13. Date	

Completion Instructions for Respondent Certification Sheet

Complete the numbered items on the
Respondent Certification Sheet by following the instructions below.

Item Numbers	Instructions
1, 2, 2a, 3	Must be completed. These items are self-explanatory.
4	Check if your firm is a sole proprietorship. A sole proprietorship is a form of business in which one person owns all the assets of the business in contrast to a partnership and corporation. The sole proprietor is solely liable for all the debts of the business.
5	Check if your firm is a partnership. A partnership is a voluntary agreement between two or more competent persons to place their money, effects, labor, and skill, or some or all of them in lawful commerce or business, with the understanding that there shall be a proportional sharing of the profits and losses between them. An association of two or more persons to carry on, as co-owners, a business for profit.
6	Check if your firm is a corporation. A corporation is an artificial person or legal entity created by or under the authority of the laws of a state or nation, composed, in some rare instances, of a single person and his successors, being the incumbents of a particular office, but ordinarily consisting of an association of numerous individuals.
7	Enter your federal employee tax identification number.
8	Enter your corporation number assigned by the California Secretary of State's Office. This information is used for checking if a corporation is in good standing and qualified to conduct business in California.
9	Complete, if applicable, by indicating the type of license and/or certification that your firm possesses and that is required for the type of services being procured.
10,11 12, 13,	Must be completed. These items are self-explanatory.

EXHIBIT D – THIRD-PARTY SERVICER REFERENCES

List below at least three (3) servicing client references. If three references cannot be provided, please explain why on an attached sheet of paper.

REFERENCE 1

Name of Firm			
Street Address	City	State	Zip
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

REFERENCE 2

Name of Firm			
Street Address	City	State	Zip
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

REFERENCE 3

Name of Firm			
Street Address	City	State	Zip
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			
